

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 88-627-C - ORDER NO. 89-339 ✓

MARCH 28, 1989

IN RE: Application of Business Telecom,)
 Inc., for Authority to Operate as) ORDER GRANTING
 a Reseller of Interexchange) CERTIFICATION
 Telecommunications Services within)
 the State of South Carolina.)

On January 23, 1989, Business Telecom, Inc. (the Company) filed an Application with the Public Service Commission of South Carolina (the Commission) requesting that the Commission grant the Company a Certificate of Public Convenience and Necessity to resell interexchange telecommunications services within the State of South Carolina. The Application was filed pursuant to S.C. Code Ann., Sections 58-9-520 and 58-9-280 (1976), as amended.

The Application was duly noticed to the public and Petitions to Intervene were filed by Southern Bell Telephone & Telegraph Company (Southern Bell) and Steven W. Hamm, the Consumer Advocate for the State of South Carolina (the Consumer Advocate).

A hearing was held on Tuesday, March 14, 1989 at 11:00 a.m. in the Offices of the Commission, 111 Doctors Circle, Columbia, South Carolina. Chairman Caroline H. Maass, presiding. Robert D. Coble, Esquire, represented the Company; William F. Austin, Esquire, represented Southern Bell; Nancy J. Vaughn, Esquire,

represented the Consumer Advocate; and Marsha A. Ward, General Counsel, represented the Commission Staff.

The Company presented the testimony of Richard E. Brown, Comptroller for Business Telecom, in support of its Application. Mr. Brown provided an overview and explanation of the request of Business Telecom, Inc. for certification as a reseller of interexchange telecommunication services as more fully detailed in the Company's Application. Business Telecom, Inc. is a privately owned company with two stockholders. Mr. Brown testified that the Company is a reseller of inbound and outbound intra and inter LATA telecommunications services. He stated that the Company plans to serve the Columbia LATA immediately and the remainder of the State in 1989. Business Telecom requested the Commission to review its position in Order No. 86-793 which establishes a compensation plan to the LEC's for intraLATA calls so that Business Telecom can offer intraLATA service.

William T. Bateman, Staff Manager - Regulatory Matters, for Southern Bell, testified that Southern Bell should be compensated by the Company for the unauthorized completion of any intraLATA calls and the Company should be subject to the exact terms, conditions, and limitations imposed by the Commission on every other carrier reselling telecommunications services in South Carolina.

The Commission finds that a certificate of public convenience and necessity should be granted to provide intrastate, interLATA service through the resell of intrastate Wide Area

Telecommunications Services (WATS), Message Telecommunications Service (MTS), and Foreign Exchange Services and Private Line Services, or any other services, authorized for resell by tariffs of facility based carriers approved by the Commission. All intrastate IntraLATA calls must be completed over intraLATA Wide Area Telephone Service (WATS), Message Toll Service (MTS), Private and Foreign Exchange Lines or other services which have been approved for resale. Any intraLATA calls not completed in this manner would be considered unauthorized traffic. Business Telecom, Inc. will be required to compensate local exchange carriers for any unauthorized intraLATA calls it carriers, pursuant to Commission Order No. 86-793 in Docket No. 86-187-C. The Commission was not presented with any evidence to require it to review its position as stated in Order No. 86-793.


The Commission herein adopts a rate design for the Company which includes only a maximum rate level for each tariff charge. A rate structure incorporating a maximum rate level has been previously adopted by this Commission. In Re: Application of GTE Sprint Communications Corporation etc., Order No. 84-622, issued in Docket No. 84-10-C on August 2, 1984.

While the Commission is conscious of the need for resellers to adjust rates and charges timely to reflect the forces of economic competition, rate and tariff adjustments below the approved maximum levels should not be accomplished without notice to the Commission and to the public. The Company shall incorporate provisions for filing of proposed rate changes and publication of

notice of such changes two weeks prior to the effective date of such changes, and affidavits of publication must be filed with the Commission. Any proposed increase in the maximum rate levels reflected in the tariffs of the Company which would be applicable to the general body of subscribers would constitute a general ratemaking proceeding which would be treated in accordance with the notice and hearing provisions of S.C. Code Ann., Section 58-9-540 (Cum. Sup. 1987). The rates filed with the Application are hereby approved as maximum rates. The Company is hereby ordered to file tariffs to reflect the findings herein within thirty (30) days of the date of this Order.

The Company is subject to access charges pursuant to Commission Order No. 86-584 in which the Commission determined that the reseller should be treated similarly to facility based interexchange carriers for access purposes. The foregoing findings and conclusions of the Commission are hereby ordered to be accomplished as set forth herein.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:



Deputy Executive Director

(SEAL)